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C O N F I D E N T I A L SECTION 01 OF 02 TAIPEI 000516

SIPDIS

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TAGS: [PREL](#) [PGOV](#) [PINR](#) [TW](#) [WHO](#) [CH](#)
SUBJECT: PRESIDENTIAL CONFIDANTE ON CROSS-STRAIT MOMENTUM,
KMT DYNAMICS

REF: A. TAIPEI 510
[1](#)B. TAIPEI 500

Classified By: The Director for reasons 1.4(b/d)

Summary -----

[1](#)1. (C) The announcement that Taiwan will take part in this year's WHA meeting is part of President Ma's larger effort to create momentum behind cross-Straits engagement. Taoyuan county magistrate and presidential confidante Eric Chu told the Director during an April 29 meeting. This momentum will continue in May, with Chu leading a Taiwan delegation to a "grassroots" cross-Straits forum, the WHA meeting in Geneva, and the next (and, according to Chu, final) KMT-CCP Cross-Straits Forum. Chu's comments on internal Taiwan politics suggest that President Ma is as interested in wresting power from the KMT's "old guard" as he is in fending off the deeply-divided opposition DPP. End Summary.

WHA Announcement All Part of the Plan -----

[1](#)2. (C) The Director met with Eric Chu, Taoyuan county magistrate and close confidante of President Ma Ying-jeou, shortly after the April 29 announcement that WHO Director General Margaret Chan had invited Taiwan to participate as an observer in the May 18-27 World Health Assembly meeting in Geneva (ref A). The great majority of the people on Taiwan will welcome this decision, Chu said, particularly given the public concern over the possibility of an H1N1 pandemic. Diehards in the opposition Democratic Progressive Party (DPP) will accuse Ma of selling out Taiwan's sovereignty by agreeing to participate under the name "Chinese Taipei." Most Taiwanese, though, are now accustomed to that nomenclature, which is also used at the Olympics, WTO, and APEC.

[1](#)3. (C) Taiwan and China reached agreement on Taiwan's WHA participation several weeks ago, Chu asserted, which explained why President Ma agreed to hold the third round of SEF-ARATS talks on April 25-26. Without confidence that a deal was in place, Chu confirmed, Ma would have been unwilling to let SEF Chairman P.K. Chiang travel to Nanjing to meet his PRC counterpart, Chen Yunlin (ref B).

[1](#)4. (C) The WHA agreement and Chiang-Chen talks are part of a series of exchanges that will create a sense of momentum behind cross-Straits relations. This "calendar" includes:

- The January announcement that allowed Taiwan to participate in the WHO International Health Regulation (IHR) system.
- Former Control Yuan President Fred Chien's meeting with PRC

Premier Wen Jiabao on the margins of the April 17-19 Boao Forum.

- The April 25-26 SEF-ARATS talks in Nanjing.
- The April 29 announcement on WHA observer status.
- The May 14-17 "Taiwan Strait Forum" (haixia luntan), a "grassroots" event to be held in three cities in Fujian province (Xiamen, Fuzhou and Quanzhou). Chu said Ma has asked him to lead the Taiwan delegation, which will include business representatives as well as local political officials.
- The May 18-27 WHA session in Geneva.
- In late May, a meeting of the KMT-CCP Forum in Nanjing. This will be the last such Forum, Chu said, suggesting that growing quasi-official contacts and the new "Taiwan Strait Forum" made it unnecessary. Party Chairman Wu Po-hsiung will lead the KMT delegation, he said, his swan song on cross-Strait issues as party Chairman.

Easing (or Forcing) Out the KMT Old Guard

15. (C) Responding to the Director's question about Legislative Yuan (LY) Speaker Wang Jin-pyng's apparent dissatisfaction with his lack of influence in cross-Strait policy, Chu made clear that this was no accident. President Ma had no obligation beyond simply informing the LY of the agreements reached during the latest SEF-ARATS, Chu said,

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since none involved legislative changes. Wang, he remarked, "is stuck."

16. (C) More broadly, Chu said, Ma wants to ease out the KMT's "old guard" - including Wang, Lien Chan, James Soong and Wu Po-hsiung. Although these influential, canny politicians are "digging in," Chu said, Ma is confident of success. Already, Lien Chan has lost his role as Taipei's main interlocutor with Beijing. Within the KMT, Chu suggested, Ma has decided to replace Wu as Chairman when Wu's term ends in August.

Planning for Local Elections

17. (C) Ma and the KMT are considering two options for restructuring Taiwan's local electoral system ahead of municipal and county elections set for December. Under the most likely scenario, Chu said, Taipei county's status would be elevated to that of a directly-administered municipality (which Chu suggested would be called "New Taipei City"). If so, Taipei county will postpone the election now scheduled for December until next year when, as the newly-constituted "New Taipei City," it will elect a mayor.

DPP Chair Tsai Unable to Stand Up to Radicals

18. (C) Although the KMT must deal with its internal factions, DPP Chair Tsai Ing-wen has a far larger challenge to handle, Chu said. She is a smart woman and moderate by nature, but is unable to stand up to the "deep green" radical wing of her party. As a result, the DPP is being pushed to an extreme position on cross-Strait relations that is out of step with mainstream public opinion on Taiwan.

19. (C) Not only does this hurt the party, he suggested, it is also bad for Tsai. For example, he said, Tsai was pushed by the "deep greens" to call for an anti-Ma Ying-jeou rally on May 17. With no real issue to galvanize protestors, the turnout for this rally will be low, Chu predicted, embarrassing and weakening Tsai. The Director told Chu we continue to urge Ma to reach out to Tsai, emphasizing that there needed to be a genuine dialogue on issues being

addressed between Taipei and Beijing.

Comment

¶10. (C) There are sound public policy reasons for Ma to move away from a cross-Strait dialogue structure that has depended, up to now, on the KMT-CCP channel. Most obviously, opposition party members are quick to point out that the KMT cannot represent their views in such a dialogue. Although Ma may be motivated, at least in part, by the partisan goal of gaining a greater control over the KMT "old guard," hopefully the result will still be a policy more easily sold as one reflecting the interests of everyone on Taiwan. This cuts both ways, however. If Ma becomes KMT Chair in August, he will doubtless be attacked for breaking a campaign pledge not to do so and open himself to criticism that his loyalties are divided between duty to party and duty to Taiwan. It is also possible that Beijing will argue for continuing the KMT-CCP link, though we see little chance Ma himself could visit China in his party role while still President of the Republic of China.

YOUNG